

This order is SIGNED.

Dated: February 14, 2022



JOEL T. MARKER
U.S. Bankruptcy Judge



Prepared and Proposed by:

Kevin N. Anderson, A0100

Douglas J. Payne, A4113

David P. Billings, A11510

FABIAN VANCOTT

215 South State Street, Suite 1200

Salt Lake City, Utah 84111-2323

Telephone: (801) 531-8900

Facsimile: (801) 596-2814

kanderson@fabianvancott.com

dpayne@fabianvancott.com

dbillings@fabianvancott.com

Attorneys the UD Dissolution Liquidating Trust

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF UTAH, CENTRAL DIVISION

In re:

UD DISSOLUTION CORP.
(fka, V3 Systems, Inc.),

Debtor.

14-32546

Chapter 11

Judge Joel T. Marker

**ORDER GRANTING UD DISSOLUTION LIQUIDATING TRUST'S MOTION TO
APPROVE SETTLEMENT AGREEMENT WITH SPHERE DEFENDANTS AND
CYRUS DEFENDANTS**

THIS MATTER came before the Court on the motion, pursuant to Rule 9019(a) of the Federal Rules of Bankruptcy Procedure, for an order approving a settlement between the UD

Dissolution Liquidating Trust (“**UD Trust**”), the successor in interest to UD Dissolution Corp., formerly V3 Systems Inc., a Nevada Corporation (“**V3**” or “**UD Dissolution**”), and Sphere 3D Corporation (“**Sphere**”), V3 Systems Holdings (“**V3 Holdings**”), Overland Storage Inc. (“**Overland**”), Peter Tassiopoulos, Jason D. Meretsky, Eric L. Kelly, Peter Ashkin, Mario Biasini, Glenn M. Bowman, Daniel J. Bordessa, and Vivekanand Mahadevan (collectively, the “**Directors**”), Silicon Valley Technology Partners, LLC (“**SVTP**”),¹ and Cyrus Capital Partners, L.P., Cyrus Select Opportunities Master Fund, Ltd., Cyrus Capital Partners GP, L.L.C., Cyrus Capital Advisors, L.L.C., Crescent 1, L.P., CRS Master Fund, L.P., Cyrus Opportunities Master Fund II, LTD., FBC Holdings, S.à.r.l., and Stephen Cyrus Freidheim (collectively, the “**Cyrus Defendants**”).²

The Court, having reviewed the Motion and other matters it deems relevant and appropriate,

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED:

1. The Settlement Agreement between the UD Trust, the Sphere Defendants and the Cyrus Defendants is in the best interests of the bankruptcy estate and creditors. The UD Trust and its Trustees have exercised sound business judgment in entering into the Settlement Agreement.

¹ The Directors, together with Sphere, V3 Holdings, Kelly, Overland, and SVTP are referred to collectively as the “**Sphere Defendants**.”

² References to the Cyrus Defendants also includes Daniel J. Bordessa.

2. Each of the four factors outlined in *Kopp v. All American Life Ins. Co. (In re Kopexa Realty Venture Co.)*, 213 B.R. 1020 (10th Cir. B.A.P. 1997), have been satisfied for the reasons stated in the Motion.

3. For the reasons stated in the Motion, the Settlement Agreement is fair, equitable, and in the best interests of the bankruptcy estate and the Debtor's creditors.

4. Accordingly, the Court APPROVES of the Settlement Agreement. The UD Trust is authorized to enter into the Settlement Agreement to the extent the UD Trust is not already permitted under the Debtor's Plan of Liquidation, dated May 7, 2015 ("**Plan**") in the above-captioned Bankruptcy Case and the Liquidating Trust Agreement incorporated into the Plan.

5. Should Sphere and V3 Holdings not withdraw Claim No. 26-2 (the "**Proof of Claim**") in a timely manner as required under the Settlement Agreement, the Court will deem the Proof of Claim completely disallowed without further notice or order of the Court.

6. The 14-day period otherwise applicable under Bankruptcy Rule 7062 is hereby WAIVED. The Court expressly finds that there is no just reason for delay in the implementation of this Order and, to the contrary, sufficient and just cause to waive any such stay is present here.

7. Upon receipt of funds, the UD Trust may, without further notice or order of the Court, distribute the Settlement Amount according to the terms of the Plan, the Liquidating Trust Agreement incorporated into the Plan, the Code, the Bankruptcy Rules, the Local Rules.

—END OF ORDER—

DESIGNATION OF PARTIES TO RECEIVE NOTICE OF COURT ORDER

Service of the foregoing **ORDER GRANTING UD DISSOLUTION LIQUIDATING TRUST'S MOTION TO APPROVE SETTLEMENT AGREEMENT WITH SPHERE DEFENDANTS AND CYRUS DEFENDANTS** shall be served to the parties and in the manner designated below:

By Electronic Service: all parties and counsel entitled to receive notice via the Court's ECF/CM Electronic Notification System.

By US Mail:

Stephanie Lindemuth
AKIN GUMP STRAUSS HAUER & FELD LLP
1 Bryant Pk, Bank of America Tower
New York, NY 10036
Counsel for the Cyrus Defendants

United States Trustee
Washington Federal Bank Bldg.
405 South Main Street, Suite 300
Salt Lake City, UT 84111
Counsel for U.S. Trustee

Mail service to All Parties in Interest: First-class U.S. mail, postage pre-paid, addressed to all parties who did not receive electronic service as set forth herein listed on the Official Court Mailing Matrix dated February 14, 2022 attached hereto.

/s/ David P. Billings